



**Roland W. Burris**

Comptroller  
State of Illinois

September 12, 1986

201 State House  
Springfield, Illinois 62706  
217/782-6000

PAYROLL BULLETIN  
(6-86)

TO: All State Agencies, Departments, Boards, Commissions  
and Universities

SUBJECT: Benefits Program

DENTAL PROGRAM

Beginning with any pay period ending after September 30, 1986, state employees, retirees and eligible dependents who are currently enrolled in the Basic State Health Plan or one of the HMO option plans will automatically receive certain dental benefits with the option to purchase additional coverage. By Central Management Services' directives, dependents covered by Golden Rule Insurance and CNA will not be eligible for dental benefits.

To effect this new plan, the following series of new insurance codes must be used to identify the plan the employee has chosen.

1. W1
2. X1 through X9 which can be expanded to  
XA through XZ.
3. Y1
4. Z1 through Z9 which can be expanded to  
ZA through ZZ.

The plans these codes will represent will be provided to you by the Department of Central Management Services.

These codes may be used in any of the three miscellaneous insurance fields (fields 60 through 65) or any of the four miscellaneous deduction fields (fields 76 through 84) of the payroll voucher. If a miscellaneous insurance deduction field is used, you must use only the two digit plan code assigned by the Department of Central Management Services. If a miscellaneous deduction field is used, you must use the two digit plan code assigned by the Department of Central Management

Services, but it must also be prefixed by a one (1), e.g. 1W1. All employees and retirees eligible to participate in this plan will have a code in one of these fields even if there is not an amount being deducted. Any amounts that are deducted due to the participant opting additional coverage must be added to the 30-OD2 trailer record which is payable to the Health Insurance Reserve Fund.

For State employees only, any amounts deducted for this dental coverage should be included in the non-taxable benefits field, which is column 67 of the payroll voucher, since they are exempt from federal and state income taxes. They are, however, subject to withholding, where applicable, to FICA, medicare and retirement. Amounts deducted for retirees are not to be treated as tax exempt. As with non-taxable health and life insurance, the Comptroller's Office will accumulate these tax exempt dental deductions for employees only if they are in the proper field on the payroll vouchers and tapes. If an agency fails to report any of these deductions on their vouchers and tapes during the year, our office will not make any adjustments to income after the end of the year.

#### UNIVERSAL LIFE PLAN

Metropolitan Insurance Company is offering universal life insurance to State employees as part of the expanded State benefit package developed by the Department of Central Management Services. Deductions for employees who enroll in this program will be treated as any other miscellaneous insurance deduction. You will continue to use the insurance code 41 for the deducted premiums. PREMIUMS FOR THE UNIVERSAL LIFE PLAN ARE NOT TO BE TREATED AS TAX EXEMPT.


#### DEPENDENT CARE PLAN

Procedures for implementation of the Dependent Care Plan will be forthcoming when they are finalized.

#### HOW TO GET MORE INFORMATION

If you have any questions regarding any of the plan codes, premiums, etc., please contact Mr. Phil Smith of the Department of Central Management Services, Group Insurance Division. He can be reached at (217)782-5070. Questions regarding vouchering procedures should be referred to Dan Steven or Nancy Smith. They can be reached at (217)782-4758.

Sincerely,



Larry D. Roth  
Director - State Accounting